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Foreign Crops and MARKETS



VOLUME 53

NUMBER 7

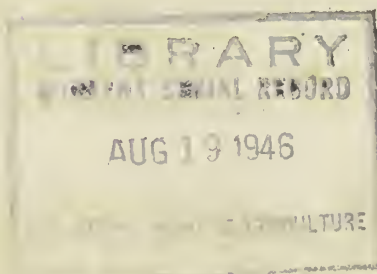
Canada's Decision to End Pegged Export Wheat Price Assures Producers Higher Prices for Wheat Exports to Countries Other Than U. K. (Page 77)

U. K.-Denmark Bacon, Butter Pact Provides Market for Danish Surpluses at Prices in Line With Upward Trend in World Prices, Higher Producer Costs (Page 83)

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FOR RELEASE
MONDAY
AUGUST 12, 1946



Issued by the OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

L A T E N E W S

Latest estimates of Spain's grain production for 1946, obtained from the Ministry of Agriculture, are: Wheat 131,174,000 bushels; barley, 80,376,000 bushels; rye, 20,078,000 bushels; and oats, 45,470,000 bushels. Unofficial estimates are slightly higher.

A near-average wheat crop is estimated for several north China Provinces, with below-average outturn in various central and west China Provinces. The food supply continues serious in certain south central and southern Provinces of China, with the rice crop in Kwantung Province 40 to 60 percent below last year.

Wartime regulations in the Netherlands requiring compulsory delivery of cereals and pulses are being reestablished by the Ministry of Agriculture, Fisheries, and Food Supply to conserve as much of the 1946 cereal harvest for human use as possible.

Norway's official crop report for July 15 indicates improved crop prospects over May 31. Fall wheat, mixed grains, and hay crops are estimated to be above average; fall rye, spring wheat, barley, and oats, average; and sugar beets and potatoes slightly below average.

An Argentine export embargo on all fresh, preserved, and powdered eggs and egg products became effective August 1.

Swiss stocks of important foods in July were at the lowest level of the war period. Although the bread ration was reduced to 225 grams monthly, reserve stocks of cereals will be exhausted by the time the new crop becomes available about November 15. Even butter and cheese stocks have reached an unprecedented low. As of August 1, the milk ration was reduced from 12 to 11 liters (1 liter=1.0567 quarts) per capita monthly. No reductions are scheduled for sugar and meat rations; but the question of whether the present meat ration of 1,500 grams per capita monthly can be maintained depends mainly on whether imports of meat from Denmark can be continued. Eggs are not rationed, but temporary supply difficulties are expected this autumn.

India announced in July that licences will be granted freely for imports from all sources of tallow, vegetable nonessential oils, essential oils, hides and skins, tanned or dressed, and certain industrial commodities. This action is stated to be a step in the declared policy to relax control over imports progressively.

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C O M M O D I T Y D E V E L O P M E N T S

GRAINS, GRAIN PRODUCTS, AND FEEDSCANADA ANNOUNCES
NEW WHEAT POLICY

The Canadian Government recently announced discontinuance of the pegged export wheat price of \$1.55 per bushel, which was announced last September. (See Foreign Crops and Markets, October 1, 1945, page 196.) Under the new policy, export sales to countries other than the United Kingdom are expected to be made at prices roughly approximating United States export prices, with the Wheat Board continuing as the sole marketing agency for Canadian wheat.

Guaranteed prices to western producers have been raised 10 cents per bushel, with the initial price now placed at \$1.35 per bushel, basis No. 1 Northern in store Fort William-Port Arthur or Vancouver. That rate, which is placed as a minimum return to producers until July 31, 1950, has been made retroactive to cover marketings made since August 1945. The adjustment on 1945-46 deliveries will be made through a flat payment of 10 cents per bushel on all grades. Any profits accrued from sales of the 1945 crop after the flat payment has been made will be placed in a 5-year pool along with profits from the next 4 crops. Distribution of the fund will be made after the termination of the pool on July 31, 1950.

The United Kingdom-Canada contract was placed as an important element in the new policy allowing western growers the higher initial payments than had prevailed previously. Growers will continue to share market profits, through participation certificates. Under the terms of the new plan the price of wheat for domestic consumption will continue at \$1.25 per bushel, with the Government continuing its payment of a draw-back to millers covering the difference between 77-3/8 cents and \$1.25 per bushel on wheat for direct food use.

BRAZILIAN RICE CROP
AGAIN INCREASED

Brazil's 1946 rice production, harvested mainly from March to May, is estimated at 115,130,000 bushels (3,370 million pounds milled), against 103,300,000 (3,020 million pounds) last year and 77,600,000 bushels (2,270 million pounds), the 5-year (1938-1942) average. The unusually large harvest this year was the result of increased acreage throughout Brazil and excellent crops in Sao Paulo and Rio Grande do Sul, two principal rice areas, and Paraná. Weather conditions were ideal for production in these States, but in some areas, as in Minas Geraes and Goiaz, yields suffered slightly from early drought. The rice output of northern Brazil showed a moderate increase.

Estimates of the exportable surplus available from this exceptionally large rice crop vary from 400 to 1,000 million pounds. In view of several factors which are likely to influence the quantity available for export, however, these supplies may not be as large as first expected. The most important reason is that the rice consumption probably will be substantially increased by substitution for wheat flour, which is in short supply. The exportable surplus probably will be more in line with early forecasts (see *Foreign Crops and Markets*, April 15, 1946, page 216) indicating a surplus of between 350 and 450 million pounds of milled rice.

BRAZIL: Rice exports by country,
January-April 1946, with comparisons

Country of destination	Average				January-April a/	
	: 1936- : 1940	: 1943	: 1944	: 1945 a/	: 1945	: 1946
	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds
Argentina	40	0	13	0	0	0
Bolivia	4	1	1	b/	b/	b/
United Kingdom	2	121	221	161	19	31
Germany	8	0	0	0	0	0
Sweden	1	14	10	b/	0	0
Switzerland	2	18	14	0	0	0
France	9	0	0	0	0	0
Union of South Africa	b/	19	43	18	18	3
Others	17	13	c/ 28	12	2	3
Total	83	186	330	191	39	37

Compiled from official statistics.

a/ Preliminary. b/ Less than 500,000 pounds. c/ Includes 16 million pounds to Ceylon.

The 1946-47 rice acreage in Brazil may not be as large as last season, because of the current price advances for other field crops. The irrigated rice acreage of Rio Grande do Sul, the principal exporting State, is expected to remain at or above the present level as long as prices remain at their current level.

PHILIPPINE RICE
ACREAGE BELOW PREWAR

In the Philippine Islands, the area recently planted for the main rice harvest in December is expected to be about 10 percent less than prewar. Sowing was set back somewhat by dry weather, and shortages of work animals and implements. Agrarian unrest is reported to have hindered planting in central Luzon, the most important rice area. Although acreage is below normal, it shows a substantial gain over last year. The severe scarcity of rice caused by last year's small production is being alleviated to some degree with the extensive use of root crops before the new crop is harvested.

FATS AND OILSNEWFOUNDLAND MARINE-OIL
PROSPECTS FAVORABLE

Newfoundland marine-oil production in 1946 is expected to equal or possibly exceed that of last season. Cod-oil output is governed largely by the catch of codfish, and this year's catch will probably be as good as or better than in 1945.

Herring-oil production is expected to be greater than last year. The herring reduction plant operated by the Newfoundland Dehydrating Company at Curling has been rebuilt and will be operating this year. Unfortunately, the plant which this same company intended to construct in Fortune Bay will not be completed in time for this year's processing.

Authorities anticipate a whale-oil and sperm-oil production in excess of the 1945 output of approximately 500,000 imperial gallons (2,324 short tons) and the 1944 output of 380,541 gallons (1,769 short tons).

Complete marine-oil production statistics are not available; however, export figures normally present an accurate picture of production, since consumption of fish oils is relatively unimportant in Newfoundland. Whale-oil exports for 1945 are lower than those of 1944, despite the fact that production was about 30 percent greater. This was due to large stocks of whale-oil being held pending final shipments to UNRRA.

NEWFOUNDLAND: Marine-oil exports,
November-October, 1944 and 1945

Type of oil	1943-44		1944-45	
	Imperial	Short	Imperial	Short
	<u>gallons</u>	<u>tons</u>	<u>gallons</u>	<u>tons</u>
Common cod	622,956	2,805	467,208	2,104
Herring	132,826	598	21,734	98
Seal	29,809	134	79,597	358
Whale	380,541	1,769	299,704	1,393
Sperm	-	-	83,200	387

Compiled from official sources.

FATS, OILS RATIONED
IN SAO PAULO, BRAZIL

Rationing of vegetable and animal fats and oils became effective in the State of Sao Paulo, Brazil, on July 12, 1946. Limited supplies of cottonseed oil, resulting from a decrease in 1945 cotton production and reduced lard stocks were responsible for this action.

DOMINICAN GOVERNMENT CONTROLS SOAP INDUSTRY

A Government decree of July 23, 1946, establishes control over the importation, exportation, stocks, and distribution of soap in the Dominican Republic. Inadequate supplies of soap, as well as fats and oils necessary for the manufacture of soap, are responsible for the decree.

TOBACCO

U. S. SHARE IN BELGIAN TOBACCO MARKET RISES

During the first 5 months of 1946, Belgium imported about 10.1 million pounds of leaf tobacco, compared with 16.7 million in the full calendar year 1945, a report from the American Embassy in Brussels discloses. Of the total imported, 8.2 million pounds, or 81 percent, originated in the United States, indicating a sharp rise over the prewar period in this country's share in the Belgian market. Argentina was the second most important source of supply. Reports state that Belgian tobacco imports have been restored to private trading and that dollars are now available for tobacco purchases. The upward trend in imports indicates that the country's total purchases during 1946, may be nearly at the prewar level.

Belgium's imports of unmanufactured tobacco for 1935-1939 averaged about 39.9 million pounds annually. Imports from the United States during the period average 13.2 million pounds. Other principal sources of supply were the Netherlands Indies, Brazil, Greece, Turkey, Hungary, and Italy. Recent purchases of oriental leaf in southeast Europe have been on a very limited scale, and no reports of purchases of East Indian leaf have been received.

Despite increased domestic production of leaf tobacco during the war years, undertaken to compensate partially for the loss of foreign sources of supply, Belgian leaf requirements were not met, and strict rationing of products was necessary. With the resumption of imports, increases in consumption have occurred, and rationing may be ended in the near future. During 1945, cigarette consumption amounted to 2.6 billion pieces, compared with 1.9 billion in 1943. Indications are that cigarette consumption this year may reach 5 billion; or about equal to prewar.

Consumption of other products in 1945 also showed considerable increases over the war years, but remained well below prewar. Consumption of pipe and chewing tobacco and snuff totaled 13.4 million pounds, compared with 9.7 million in 1943. Cigars totaled 108 million pieces as against 101 million in 1943; cigarillos 249 million pieces, compared with 208 million in 1943.

The present tobacco ration is limited to male consumers at least 17 years of age, and permits the purchase of 320 cigarettes monthly. The prospective removal of rationing restrictions should tend to increase considerably the country's tobacco consumption.

HONDURAN TOBACCO CROP LOW; CIGARETTE SALES UP

Tobacco production in Honduras for the 1944-45 season amounted to about 4.5 million pounds from 9,500 acres, according to a report from the American Embassy at Tegucigalpa. In 1943-44, the crop totaled about 4.9 million pounds. For the third consecutive year, weather conditions in 1944-45 were unfavorable for tobacco growing, and yields were only about 480 pounds per acre, compared with a normal yield of about 700 pounds. The 1944-45 crop was in heavy demand both by domestic manufacturers and for export. Prices for 1944-45 crop leaf grown in the Department of Copan, which produces the bulk of the country's tobacco, ranged from 10 to 15 cents per pound, compared with 7 to 11 cents for the previous crop.

According to the Government Statistical Office, cigarette sales totaled 14,003,000 packages during the period July 1944-June 1945, compared with only 12,483,000 for the previous year. Cigar sales, not including the large output of small establishments, amounted to 431,000 pieces, compared with 931,000 pieces for 1943-44. Consumption of smoking tobacco was insignificant.

Tobacco is one of the principal commodities exported from Honduras to neighboring countries. Exports of leaf during 1944-45, chiefly to El Salvador, amounted to 3.5 million pounds, or slightly more than the 3.3 million pounds exported in 1943-44. Cigar exports, also principally to El Salvador, totaled about 92 million pieces, compared with about 100 million in the previous year. Imports of leaf and products are insignificant. In 1944-45, imports of leaf amounted to only 40,000 pounds, of which 39,000 pounds were from the United States. Imports of cigars, chiefly from El Salvador, totaled 79,000 pounds.

COTTON AND OTHER FIBERS

STRIKES CUT COTTON CONSUMPTION IN CANADA

Consumption of cotton in Canada was reduced to around 25,000 bales (of 478 pounds net) monthly in June and July as a result of strikes in the principal mills of the Montreal area. Some of the strikes were settled late in July, and mill operations were expected to be near normal in August. Consumption during the first 5 months of 1946 averaged 33,950 bales, about 1,700 bales higher than the average for the similar period in 1945.

Cotton imports in May totaled about 35,000 bales including 24,000 from the United States, 7,000 from Mexico, 2,000 from India, and 1,000 from Brazil. The total of 350,000 bales imported during the 10 months ended May 31, 1946, was larger than the 10-month total of 317,000 bales for 1944-45 and included 299,000 from the United States, 9,000 from Brazil, 35,000 from Mexico, and 5,000 from India.

Recent increases in the price of cotton in producing countries were not reflected in prices paid by Canadian mills as the Government, by means of a subsidy, guarantees adequate supplies of cotton to mills at a basic price of 15.4 cents (11.4 cents prior to March 1, 1946) Canadian currency, for American Middling 15/16 inch. Subsidy payments were first offered by the Government on February 3, 1942 (retroactive to December 19, 1941), when rising prices of cotton made it difficult for mills to operate at a profit under existing ceiling prices for cotton products. Even after allowance for the 4 cents a pound discount offered on cotton sold for export by the United States Commodity Credit Corporation, the Canadian Government has recently paid to Canadian mills, as much as 15 or 16 cents per pound under contracts entered into in 1942. Mills were not eligible for these payments when their profits rose by more than 16-2/3 per cent above standard profits as computed for taxation purposes.

CANADA: Estimated cotton consumption by months,
January 1941 to June 1946
(In bales of 478 pounds net)

Months	1941	1942	1943	1944	1945	1946
	Bales	Bales	Bales	Bales	Bales	Bales
January	38,133	41,956	34,162	31,552	30,832	33,248
February	40,517	41,671	38,262	34,806	31,857	33,598
March	41,062	47,587	43,031	38,342	35,319	35,635
April	41,866	44,123	37,590	31,630	31,213	32,804
May	40,764	41,983	37,108	34,458	31,965	34,464
June	39,416	40,345	35,809	29,439	30,251	25,000
July	42,270	41,621	33,766	28,615	24,820	
August	35,915	38,869	32,973	30,338	29,801	
September	42,553	38,596	33,514	29,074	29,147	
October	47,513	41,150	31,987	31,360	34,323	
November	41,451	39,903	33,612	33,793	31,904	
December	40,190	38,314	33,124	30,013	28,610	
Total b/	491,650	496,118	424,998	383,420	370,042	
Year ended July 31	472,433	506,908	456,560	394,112	370,835	
Conversion a/	1.2029	1.2027	1.1783	1.1780	1.1780	1.1780

Cotton Institute of Canada.

a/ Factors established at the end of each year by the Cotton Institute of Canada to calculate total consumption based on returns by mills that have membership in the Institute.

b/ Calendar year.

WEEKLY COTTON PRICES ON FOREIGN MARKETS

The following table shows certain cotton price quotations on foreign markets, converted at current rates of exchange.

**COTTON: Spot prices of certain foreign growths and
qualities in specific markets**

Market location, kind, and quality	Date : 1946 :	Unit of weight	Unit of : currency :	Price in : foreign : currency :	Equivalent U. S. cents per pound
Alexandria	:	: Kantar	:	:	:
Ashmouni, F.G.F.	: 8-1	: 99.05	: Tallari	: 36.50	: 30.47
Giza 7, F.G.F.	: 8-1	: 99.05	: Tallari	: Not quoted	
Karnak, F.G.F.	: 8-1	: 99.05	: Tallari	: 37.50	: 31.31
Bombay	:	: Candy	:	:	:
Jarila, fine	: 8-1	: 784 lbs.	: Rupee	: 462.00	: 17.79
Kampala, East African	: 8-1	: 784 lbs.	: Rupee	: 850.00	: 32.72
Buenos Aires	:	: Metric ton	:	:	:
Type B.	: 8-3	: 2204.6 lbs	: Peso	: 2060.00	: 27.82
Lima ..	:	: Sp. quintal	:	:	:
Tanguis, Type 5	: 8-3	: 101.4 lbs.	: Sol	: 164.00	: 24.38
Recife	:	: Arroba	:	:	:
Mata, Type 5	: 8-2	: 33.07 lbs.	: Cruzeiro	: 120.00	: 19.36
Sertao, Type 5	: 8-2	: 33.07 lbs.	: Cruzeiro	: 125.00	: 20.17
Sao Paulo	:	: Arroba	:	:	:
Sao Paulo, Type 5	: 8-2	: 33.07 lbs.	: Cruzeiro	: 160.50	: 25.90
Torreon	:	: Sp. quintal	:	:	:
Middling, 15/16"	: 8-2	: 101.4 lbs.	: Peso	: 121.25	: 24.62

Compiled from weekly cables from representatives abroad.

LIVESTOCK AND ANIMAL PRODUCTS

**D. K.-DENMARK REACH
BACON, BUTTER ACCORD**

The British Minister of Food announced in Parliament on August 1 that the United Kingdom had reached an agreement with the Danish Government covering the supply by Denmark of butter, bacon, and eggs to that country up to the end of September 1949. The agreement provides that during this period, Britain will be offered a very high proportion of Denmark's exportable surplus of all three commodities. In return, Denmark is to be given an assured market up to the end of September 1949 for substantial quantities of bacon and eggs.

The British are guaranteeing minimum prices for these quantities while the actual prices will be settled at specified dates nearer the time at which they will apply. On butter, the price has been fixed up to September 30, 1947, and the Danes will consult the British before committing themselves to send more than certain specified quantities to other markets during 1948 and 1949.

Further details of the agreement, including prices and quantities, will be published early next week. In view of the higher farm costs in Denmark, in comparison with other countries, the British for the first year have

agreed to pay higher prices for Danish foodstuffs than for similar products from other countries. These relatively higher costs in Denmark are attributed to the present world shortage of livestock feed on which Denmark is normally so largely dependent.

CANADA'S BEEF, BACON EXPORTS DROP SHARPLY

Canadian beef and bacon exports, reflecting the downward trend in inspected slaughter as well as the smaller number of animals on farms, showed a sharp drop for the first half of 1946, but mutton and canned-meat exports for the same period were considerably larger than a year ago. The larger canned-meat exports are the result of efforts to supply UNRRA countries with a product suitable for relief feeding abroad. Meat is still rationed in Canada. Civilian consumption for 1946 is estimated at about 133 pounds per capita, compared with 140 in 1945 and 149 in 1944.

CANADA: Exports of meat to the United Kingdom and total exports, dressed-weight basis, average 1934-1948, annual 1939-1945, and January-June 1945-46

Year	Beef and veal		Total pork (including bacon and hams)		Mutton and lamb	Canned meats (processed weight) b/	
	To United Kingdom	Total	To United Kingdom	Total	Total	To United Kingdom	Total
	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds
Average -	:	:	:	:	:	:	:
1934-1938	6,700:	13,015:	152,947:	165,417:	283:	1,154:	1,335
1939	869:	4,515:	186,998:	194,708:	205:	4,469:	4,642
1940	- :	3,913:	344,272:	353,015:	183:	6,096:	6,378
1941	- :	7,905:	460,801:	482,040:	349:	171:	1,695
1942	:	15,961:	524,952:	537,431:	628:	5,681:	9,761
1943	386:	13,549:	575,222:	587,475:	891:	10,726:	18,820
1944c/	98,080:	107,411:	702,685:	717,714:	1,589:	33,838:	39,707
1945c/	184,378:	193,532:	446,074:	462,050:	7,951:	16,044:	98,704
January -	:	:	:	:	:	:	:
June :	:	:	:	:	:	:	:
1945c/	102,383:	108,405:	272,902:	279,951:	211:	10,208:	33,462
1946c/	76,312:	80,698:	149,176:	154,815:	4,165:	2,140:	88,591
:	:	:	:	:	:	:	:

Compiled from Trade of Canada

a/ Exports to the United Kingdom were negligible until 1944 and 1945 when exports amounted to 1,136,000 and 7,358,000 pounds, respectively. b/ Not available by designation as to kind. c/ Includes boned beef not converted to a dressed-weight basis.

Beef exports for the first 6 months of 1946 were 25 percent below those for the same period in 1945. June exports were only a small fraction of the volume a year earlier. Similarly, bacon and pork exports declined 45 and 44 percent, respectively, for the 6 months' period and for June. Nearly all the exports of beef, bacon, and pork go to the United Kingdom.

Canned-meat exports for the first half of 1946, however, were more than 2-1/2 times greater than last year. Nearly all of this product was for UNRRA as the quantity taken by the United Kingdom declined sharply.

DUTCH ORDER CUT IN SOW NUMBERS

Owing to the limited feed supplies available, the Netherlands Government has ordered a reduction in breeding-sow numbers effective July 15, 1946. Breeders will be permitted to maintain only 180,000 sows, a reduction of 13 percent from the total of 206,000 reported in March by the Central Statistical Bureau, but a third more than the 136,000 sows of a year ago. The 1936-1940 average was 161,000 breeding sows. Total hog numbers in March, however, stood at 830,000, up 61,000 from 1945, but only 55 percent of the prewar average of 1,493,000.

NETHERLANDS: Hog numbers, 1946 with comparisons

Classification	Average	1945	1946
	1936-1940	May	March
	May		
	<u>1,000 head</u>	<u>1,000 head</u>	<u>1,000 head</u>
Hogs total	1,493	769	830
Breeding sows	161	136	206
Pigs under 132 pounds	916	575	520

Compiled from official sources.

The reduction in sow numbers will be effected by curtailing permits issued for keeping breeding sows. A prompt reduction was encouraged by premium payments for deliveries of light-weight pigs and young sows before July 15.

SLIGHTLY LARGER PIG CROP SEEN IN DENMARK

The June 8 census of hog numbers in Denmark shows that bred sows totaled 118,000, compared with 112,000 6 weeks earlier and in the comparable census a year ago. Total sows, however, were 194,000, against 197,000 in May and 167,000 a year earlier. Other classes also declined in this 6 weeks' period, while continuing at levels higher than a year ago.

Although some upturn in farrowings is indicated for the latter half of 1946, the increase is likely to be smaller than for the last half of 1945. At that time a marked increase in farrowings resulted in a pig crop found impossible to maintain from available feed supplies.

NEW ZEALAND DAIRY OUTPUT AT LOW LEVEL

New Zealand export gradings of butter in June 1946 amounted to only 1,613,000 pounds, compared with 2,202,000 pounds in June 1945, notwith-

standing improved fall- and winter-pasture conditions. Export gradings of cheese in June of this year also were somewhat below those of the same month last year, being 3,360,000 pounds and 3,615,000 pounds, respectively. For the 11 months of the current season (August-June), export gradings of butter dropped 17 percent below those for the same period a year ago, while cheese export gradings fell 8 percent. Weather conditions throughout the flush season were unfavorable for high production, but rains occurring after March 1 brought improvement in pasture and forage.

Butter stocks on July 1 were reported at 9,856,000 pounds, about half the quantity on hand on that date a year earlier, when stocks stood at 19,488,000 pounds. Cheese stocks on July 1, 1946, amounted to 23,968,000 pounds, somewhat above the 23,454,000 pounds reported on hand that date last year.

ARGENTINE WOOL STOCKS SMALLER; EXPORTS UP

Argentine wool stocks by the end of the current season September 30 may be lower than the exceptionally large stocks for the two preceding seasons, unless foreign purchasing takes a sharp downward trend. The increase of about 220 percent in exports for the first 10 months of the season, through July, is the reason for the expected reduction. Cabled reports indicate that exports in June and July exceeded last year by 50 percent.

By the end of July the market was reported as very quiet following a slow-down in buying by continental European countries. It was unofficially reported in mid-July, however, that the British will authorize limited imports of coarse crossbred for blankets and other purposes, but the extent of such authorizations is unknown. The British have not purchased Argentine wool to any extent since 1940-41.

Apparent supplies of sold and unsold wool for export during the remainder of the season are estimated, as of August 1, at approximately 498 million pounds, a decrease of 34 percent below the same date a year ago. Supplies for the entire 1945-46 season were placed at 1,080 million pounds, including production of 500 million pounds and a wartime carry-over as of October 1, 1945, of 580 million pounds, 245 million pounds of which were on farms. Domestic consumption was estimated at 120 million pounds, leaving an exportable surplus of 960 million pounds for the season. Should exports during August and September be maintained at the monthly average of 46 million pounds for the first 10 months of the season, the carry-over at the end of this season may be in the neighborhood of 400 million pounds, a reduction of approximately 30 percent below October 1 stocks in 1945, and also a decrease below the same date of 1944.

Last season exports in the months of August and September were materially larger than for the earlier months of the season. These larger sales reflected the end of the war with Japan, and it seems doubtful that

the wartime accumulated demand for Argentine wool from European sources has as yet been satisfied. The suspension of sales in the British Dominions until September may result in increased demand for available wool. On the other hand buyers may hold back awaiting the reopening of auction sales with the hope that prices may be somewhat lower for certain qualities.

The Argentine Government commercial-stock figures for July 1 and August 1 are not yet available, but on June 1 they were estimated at 278-million pounds (actual weight), or 293 million pound grease wool basis, a decrease of 28 percent below the same date of 1945.

Argentine exports for the first 10 months of the season (October-July) are estimated at approximately 462 million pounds, actual weight, an increase of 220 percent above the same period of 1944-45. Shipments to the United States for the same period were 345 million pounds against 112 million pounds a year earlier.

Statistics available by country of destination for the first 7 months of the season show that the percentage going to the United States has dropped to 78 percent, compared with an average of 87 percent for the 5 preceding seasons.

ARGENTINA: Wool exports to the United States as percentage of total, October-May 1945-46, with comparisons.

October-May	To United States	Total as percentage of total
	Million pounds	Million pounds Percent
Average -		
1934-35 to 1938-39	38.9	238.0 : 16.3
1939-40	101.4	230.2 : 44.0
1940-41	272.5	322.5 : 84.5
1941-42	155.4	170.7 : 91.0
1942-43	95.1	108.4 : 87.7
1943-44	139.4	158.4 : 88.0
1944-45	77.0	93.7 : 82.2
1945-46	295.7	379.5 : 77.9

Compiled from official sources.

Continental Europe took 70 million pounds, an increase of 66 million above a year earlier. Shipments were largest to France, Belgium, and Switzerland. Russia took over 2 million pounds in May, the first direct shipment to that country from Argentina since July 1941. The United Kingdom has also taken a relatively small quantity of Argentine wool, or 280,000 pounds this season, for the first time since 1942-43.

ARGENTINA: Exports of wool by countries,
October-May 1945-46, with comparisons

Country of destination	October-May	
	1944-45	1945-46
	1,000 pounds	1,000 pounds
Non-European		
United States	76,978	295,743
Mexico	5,031	3,834
Chile	3,254	2,368
Bolivia	1,473	1,451
Colombia	829	1,567
Brazil	1,667	941
Others	224	1,308
Total	89,456	307,212
United Kingdom	0	280
Soviet Union	0	1,753
Continental Europe		
Belgium	0	14,365
France	0	29,555
Sweden	1,733	6,446
Denmark	0	461
Switzerland	2,414	13,296
Ireland	86	179
Portugal	0	412
Italy	0	2,972
Netherlands	0	1,964
Others	0	622
Total	4,233	70,272
Grand total	93,689	379,517

Compiled from official sources

MISCELLANEOUS

SIBERIAN CROP

OUTLOOK GOOD

Crop prospects in Siberia are favorable, according to a recent report in the official Soviet newspaper Socialist Agriculture.

In western Siberia, warm dry weather came in July after a cold rainy June. Although the cold weather retarded crops a little, the plentiful supply of moisture facilitated rapid growth when real summer weather arrived. In eastern Siberia, on the contrary, the weather during the latter part of June was warmer than usual. Much needed rain fell in the last days of June, markedly improving crop conditions.

The condition of rye is reported as satisfactory to excellent, and wheat and oats are in good condition.